

Monday, July 11, 1994

\* Met with a woman to notarized my lease on the 18th Floor

\* **Meeting with Doren--Marlboro Promotion Process**

- Brainstorming meeting to go over how we are to go through developing a promotion and coordinating it with the various departments.
- We want to plan and set up how long it will take to do promotions
- Creative(Agency/Brand/Purchasing)
  - Creative brief takes about one week
  - Comp. Dev. Package/Incentive
    - \* This stage takes about three weeks
    - \* Need technical advise early on
  - A&K(means art and key line) Package/Incentive
    - \* Should have technical consultation
    - \* Should have DDCP during this stage
    - \* DDCP means Digital Recorder Color Print
  - Comp Dev. POS
    - \* Need technical advise early on
  - A&K POS
  - Legal component for everything
    - \* Sign off along the way
  - Comes all together especially if we are silk-screening an item.
  - Some items are done concurrently
  - We will know who the silk-screener is because the contracts will be in place.
  - Activities will be going on in brand at the same time things are occurring in purchasing.
- POS Production(Madden Communications Inc.)
  - PMX Delivery Schedule
    - \* PMX means PM Express
    - This is a supplier who transports all of our promotions
    - Sales reps order from PMX to have items for the promotions shipped to them
    - One month prior to field date to PMX express
    - Located in Illinois
  - They do all of our POS production/printing and they send out all items to the field sales reps.
  - Blank design(POS display)
  - Legal Sign-off
  - Press Proof/Blues/Color Proof
    - \*Once done, no changes can be made
    - \*Signing off based on picture and proofed for colors
  - Purchase Req.
    - \*No one signs
    - \*Receiving an order before purchase order
    - \*Req. needs to be signed before purchase order begins
    - Why is a purchase order done before production?

20418720095A

## -Logistics

- Delivery Method
  - \* Some by rail, some by truck(Using a truck is faster but more expensive by \$150)
  - \* Want to plan more so that we do not have to use trucks
  - \* Intermodal
    - by train with trucks on back
  - \* Pick the cheapest method
- This is letting us know that if we make changes, these are the implications
- Different promotions have different timetables
- Brand will create a timeline
- Kitting Instructions
- Transport/PMX Tracking Report
  - \* Report about transportation
- Need to know the process I go through to do a promotion

## -Incentive Procurement

- Item Selection
  - \* Takes about 6 weeks
  - \* Brand may go to purchasing with an item or we may go to purchasing to look at an item that they have selected.
  - \* Proof of embroidery or samples for top(shirt) and how will it look on that item
  - \* Proof of artwork on lighter or cup
    - Includes trademark or patent info
    - Legal would need to see it
- Item approval
  - \* Turn in 2-3 items to packaging
- Sample Approval
- Prepare Bid Specs/Quantities
- Issue Bid
  - \* Bid package is prepaid(three if necessary) sent out to vendor
- Receive Bids
  - \* Sealed bids
- Issue Purchase Order
  - \* Cannot write without delivery schedule
- Review Pre-Production Sample
- Incentive Production
  - \* Takes 4-5 months to produce all
  - \* ex: 8 wks for production of one million pens or 750,000 can be done per month.
- Always clearly define specs
- Brand driven meetings usually take place
- Sample should be in poly bag
- Need to see sample of the incentive item
- Always itemize
- Drawing of a fold carton as if it were open
- BOE--Bureau of Explosives, Tobacco, Firearms
- Do a best case scenario--Basic 4 weeks
- Worst case scenario in 10 weeks(if they have never done before)

2041872095B

-Print Packaging

-Blank Approval

- \* Turn over three incentives to packaging to develop blanks
- \* Three pieces of the same item
- \* Develop blank to submit to brand for approval

-Prepare Bid Specs/Quantities

- \* If custom(or the first time)
- \* Full analysis of why they selected the vendor from the bidding choices
- \* More technical
- \* Req.--we get from purchasing that I sign telling mgt. why I selected that vendor(purchasing provides me with the details.

-Issue Bids

-Receive Bids

-Issue PO

-Review Pre-Production Sample

-Incentive Production

-Tracking Schedule to Packager

- \* As soon as PO is delivered, I need to start tracking

-Package Assembly

-Assembly and printing bids are done at the same time

-Allow first shipment to take four weeks

\* **Meeting with Deane Gross**

-She wants the team leader titles removed on the project team list for project thunder.

-The brand group will be handling all of the promotional items dealing with consumers before the trip

- \* Retail
- \* Direct mail
- \* Purchasing the incentives for the sweepstakes and catalogs
- \* All of the brand stuff
- \* The pre-promotion and the promotion stuff

-Deane and the events marketing department will handle the trip and the planning of the trip and everything that deals with the train.

- \* Handle the PR for the promotion tour.

-She said to remove Dave Thomas of the Hadley Group from the list

\* **Meeting with Mark Walchak--Packaging**

-We might have to get rid of the blue and just include the train

-The 100's(packs) have more room to work with

-Continuity--We have made decision on that yet regarding the miles

-We may not decide until later

-The promotion will run from Sept 95-April 96.

-Marlboro Red

- \* This is the worst box

-Various Options

- \* Train without Miles
- \* Train with Miles
- \* Use one side of the box either the front or back panel to put logo

204187920952

- \* Hologram
  - Would need more time to produce this one and it is expensive
  - Five cents for each pack is the cost, whereas the others would be less than one-cent per pack.(\$7.00 per 1000)
  - Use for the introduction packages

-Carton Graphics

- \* Able to use up to 9-color press
- \* 40-color processing(we would not need)
- \* Could do what they did with country store

-Menthol packs are a problem

-Design

- \* Could have scenery with the train driving through it(going through the country)
- \* Need to have a lead time of July 15 or the end of June to start producing the product.
- \* This may be a problem because we will tie up one vendor for too long
- \* Need to have all graphics(artwork) to the agency by the first of the year

-Carton Inserts

- \* We have limited equipment because it is done by hand at Pre-Con
- \* Lead times could be as long as 6 months

-If we do not use the continuity, we could just put on Marlboro's big four packs.  
 -Hank will begin working on it.

2041872095D